TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 243 - HB 548

March 20, 2013

SUMMARY OF ORIGINAL BILL: Requires a judgment debtor whose wages have been garnished to notify the judgment creditor who filed the writ of garnishment within 10 days of obtaining new employment. Failure to notify shall be punished as contempt of court.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004223): Requires the judgment debtor to notify the clerk of court who sent the notice of garnishment and the judgment creditor when the judgment debtor obtains new employment. Requires the clerk of court to amend the writ of garnishment to reflect the change in employment and to reissue the writ of garnishment and have it served upon the new employer. If the judgment debtor fails to notify the clerk or judgment creditor, the judgment debtor is in contempt of court and shall be punished the same as contempt of court in a judicial proceeding. A judgment debtor's notification is timely if the notification is mailed less than 10 days after obtaining new employment.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- According to the Administrative Office of the Courts (AOC), the bill will not have a significant impact on state courts.
- Most garnishments are filed in local courts. The bill may impact the caseloads of general sessions courts due to an increase in contempt proceedings, but the fiscal impact would not be significant.
- Local courts may need to prepare new forms for writs of garnishments, but the fiscal impact would not be significant.
- Clerks of court already send, receive, and process writs of garnishment. Requiring them to receive notification of new employment from a judgment debtor will not have a significant impact on the clerks of court.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Lucian D. Geise, Executive Director

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